

WASHINGTON (July 10) – Congressman Spencer Bachus (AL-6), Chairman of the House Financial Services Committee, made the following statement during a Subcommittee hearing on the impact of the Dodd-Frank Act on jobs, the economy, and consumers.

The Financial Services Committee will hold hearings throughout the month of July examining the impact that the 2,300-page law is having on the economy, jobs, housing, and credit on the second anniversary of its signing.

***"Dodd-Frank was enacted in response to the financial crisis of 2008. The law was not intended to hinder the ability of American businesses to utilize the capital markets or to unduly hamper the ability of consumers and businesses to obtain credit, create jobs, mitigate risk, and thrive. Yet two years after its passage, many argue that Dodd-Frank is having precisely these negative effects.***

***"Main Street businesses are now facing a constriction of both capital and credit. The derivatives rules, the Volcker Rule, and a host of other Dodd-Frank rules are putting enormous pressure on corporate balance sheets at a time when economic conditions are already putting increased demands on the time and resources of job creators.***

***"This Committee has tried to mitigate some of the potential negative impacts of the Dodd-Frank Act by moving bipartisan legislation such as H.R. 2682, a bill that would ensure the regulators do not force derivatives end-users to post margin, which would divert capital away from job creation. Unfortunately, the Senate has failed to act on this important bill and some regulators continue to interpret Dodd-Frank's Title VII as a grant of new authority to impose costly margin requirements on end-users.***

***"Similarly, an overly restrictive Volcker Rule will also have a negative impact on Main Street by increasing borrowing costs for consumers and companies both large and small. If businesses find it harder to borrow, it will be harder for them to make capital investments and create jobs; if consumers have less access to credit, it will be harder for them to care for their families; and if the value of the assets held by savers and investors declines, people will find it harder to save for a new home, for college or retirement.***

***"Our witnesses today will be able to shed more light on the cumulative impact these rules are having on our economy, and I thank them for being here."***

To view Congressman Bachus' committee statement, [click here](#).

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